

DEC 1 1987

JOSEPH F. SPANIOL, JR.
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No. 87-729

In The
Supreme Court of the United States

October Term, 1987

BARIENT, INC. and BARLOW MARINE, LTD.,

Petitioners,

vs.

LEWMAR MARINE, INC.,

Respondent.

**ON WRIT OF CERTIORARI TO
THE UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT**

**BRIEF IN OPPOSITION TO PETITION
FOR A WRIT OF CERTIORARI**

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MPP

**COUNTERSTATEMENT OF
QUESTION PRESENTED**

Did the Court of Appeals err in unanimously concluding that the District Court as a matter of law had misinterpreted the scope of the patent claims in issue, and therefore err in reversing the District Court's determination that the patents in suit were invalid under 35 U.S.C. § 102(b) ?

STATEMENT PURSUANT TO RULE 28.1

Respondent: Lewmar Marine, Inc.

Parents (direct and indirect):

Benjamin Priest Group Plc.

Lewmar Marine Plc.

Lewmar Marine Ltd.

Lewmar Netherlands BV

Lewmar Marine Systems Inc.

Subsidiaries: none

Affiliates (other companies owned in whole
or in part by respondent's direct parent
Lewmar Marine Systems Inc.):

Navtec Inc.

Brookes and Gatehouse Inc.

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CITATIONS TO OPINIONS BELOW

Lewmar v. Barient Inc. and Barlow Marine Ltd., (D.R.I.
1986) (unreported opinion)

Lewmar Marine, Inc. v. Barient, Inc., 827 F.2d 744 (Fed.
Cir. 1987), as corrected by an Errata dated October
15, 1987 (see Supplemental Appendix)

THE STATUTES INVOLVED

35 U.S.C. § 102(b)

*“Conditions for patentability; novelty and loss of
right to patent*

A person shall be entitled to a patent unless—

• • •

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States.”

35 U.S.C. § 103 (in pertinent part)

“Conditions for patentability; non-obvious subject matter

A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.

Patentability shall not be negated by the manner in which the invention was made.”

—o—

COUNTERSTATEMENT OF THE CASE

This is an action for infringement of two United States patents owned by respondent Lewmar. Both patents are directed to sailboat winches, and in particular to complex mechanical structures that allow such winches to operate faster and more efficiently. The winches of the patents in suit have been widely adopted by industry and the sailing world, and are used by America's Cup 12-meter racing yachts.

Respondent Lewmar sued petitioners Barient and Barlow for wilful infringement. Barient and Barlow defended on the ground, *inter alia*, that a winch made in 1964 (the so-called "AMERICAN EAGLE" winch) invalidated the patents because it allegedly included structure, and operated, as required by each and every element of the three patent claims in suit.

The District Court found that the AMERICAN EAGLE winch literally included each limitation of each claim in suit and, based on that finding, held the claims invalid under 35 U.S.C. § 102(b)—colloquially referred to as "anticipation". The District Court also found, and adjudged, that Barient's and Barlow's winches literally infringed Lewmar's patents.

A unanimous panel of the Court of Appeals for the Federal Circuit, following oral argument during which Lewmar's inventions and the AMERICAN EAGLE winch were demonstrated, reversed the District Court's decision and judgment of invalidity under 35 U.S.C. § 102(b).¹ The Court of Appeals held that the District Court had (1) erred as a matter of law in its interpretation of the meaning and scope of the patent claims and, as a consequence, (2) erred in determining that the AMERICAN EAGLE winch included each element of those claims.

In particular, the Federal Circuit held that the District Court had misinterpreted the claims in suit by reading out of those claims important and material language,

¹ Barient and Barlow did not appeal from the District Court's determination and judgment of infringement, and so this issue was not before the Court of Appeals. The issue of obviousness under 35 U.S.C. § 103 also was not before the Court of Appeals.

thus erring as a matter of law (App. A, pp. A8-10, A12-13)². The Court of Appeals then determined, based upon the District Court's factual findings concerning the structure and operation of the AMERICAN EAGLE winch, that at least one critical limitation of each claim in suit was missing entirely from the AMERICAN EAGLE winch.

Thus, with respect to the first Lewmar patent, the Court of Appeals stated (App. A, pp. A8, A10):

“The question we address is whether the above-described mechanism [in the AMERICAN EAGLE winch] meets the limitation ‘means automatically to disconnect the disconnectable drive means only upon reversal of the drive shaft from the given said direction of rotation’ of claim 1 and comparable language of claim 2.[³] We conclude it does not.

• • •

“The district court’s interpretation of the term ‘only’ [in the patent’s claims] . . . is contrary to the specification and the prosecution history, and thus is wrong as a matter of law.

• — • •

“When claims 1 and 2 are properly interpreted, the AMERICAN EAGLE winch does not anticipate because shifting does not occur *only* on crank reversal.” (Emphasis in original; bracketed language added.)

² References to “App. —, pp. —” are to the indicated Appendix and pages thereof accompanying Barient’s and Barlow’s November 6, 1987 corrected Petition.

³ Footnote 6, originally included in the Court of Appeals Opinion at this point, was deleted by the Court of Appeals’ October 15, 1987 Errata. See the accompanying Supplemental Appendix at A-1.

As to the second Lewmar patent, the Court of Appeals noted that "the district court held that the claim reads literally on the American Eagle winch" (App. A, p. A11). The Court of Appeals reversed as a matter of law, stating that when the last element of the claim was properly interpreted, "[i]t is undisputed that it does not" read on the AMERICAN EAGLE winch (App. A, p. A13).

Having determined that the District Court's holding of anticipation was erroneous, the Court of Appeals reversed that part of the decision and judgment and remanded for further proceedings.

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SUMMARY OF ARGUMENT

The Court of Appeals reversed the District Court's determination of invalidity because the District Court had erred as a matter of law in interpreting the scope and meaning of the patent claims in suit. Relying upon factual findings made by the District Court, the Court of Appeals then held that the prior art AMERICAN EAGLE winch did not include each and every limitation of the claims in issue when those claims were correctly interpreted. Thus, the claims were not invalid under 35 U.S.C. § 102(b).

Barient's and Barlow's arguments in support of its Petition distort the District Court decision, and the Court of Appeals decision, in an effort to make it appear that the Court of Appeals reversed because it misinterpreted the requirements of 35 U.S.C. § 102(b) and, in so doing, supposedly pronounced a new (and allegedly erroneous) legal

test for anticipation. Petitioners are wrong. The test for invalidity under 35 U.S.C. § 102(b) of the Patent Act of 1952 requires that the claimed invention be *identically* found in a single prior art reference. The District Court applied that test to the claims in suit as it erroneously interpreted those claims and determined that the AMERICAN EAGLE winch literally included each limitation of and therefore anticipated the claims in suit. The Court of Appeals reversed because of the District Court's error in interpreting the claims. When properly interpreted, important claim limitations are not present in the prior art AMERICAN EAGLE winch. In interpreting the claims in suit, the Court of Appeals followed long-established precedents.

Petitioners make much of the Court of Appeal's statement that "[t]hat which would *literally* infringe if later in time anticipates if earlier than the date of invention" (Pet. pp. 2-4; emphasis in original). In doing so, petitioners imply that the District Court found that even if the AMERICAN EAGLE winch did not identically or literally have every element of the patent claims, it had "equivalent" elements, so that if the AMERICAN EAGLE winch would not have literally infringed the patents in suit if sold after that patent issued, it would have done so by the doctrine of equivalents. Petitioners then contend that the Court of Appeals, by focusing only on the literal requirements of 35 U.S.C. § 102(b), erred by not broadening those requirements. But, the District Court never said anything about equivalency, even had it been proper to do so (it would not have been), and thus the issue was not before the Court of Appeals. The Court of Appeals properly decided the issue before it and not the issue which petitioners would like to have had before it.

There is no "constitutional" issue, or other proper ground, to justify granting the Petition. An exercise of this Court's Certiorari jurisdiction in this case would be an inappropriate use of the Court's resources and contrary to the Court's policy of only issuing a Writ of Certiorari in cases involving an inter-circuit conflict or compelling questions of Federal Law.

The Writ should not be granted.

ARGUMENT

A. Barient's and Barlow's Reasons For Granting The Writ Are Based On A Distortion Of The Facts And Decisions Below

Barient's and Barlow's Petition rests on the contention that the Court of Appeals reversed the District Court's determination of invalidity under 35 U.S.C. § 102(b) because of the supposed adoption by the Court of Appeals of a "new and more restrictive" test for anticipation which modified a "classic" rule of this Court (Pet. pp. 3, 4). Unfortunately for petitioners it is plain that no new law was made or applied.

The District Court held the claims in suit of Lewmar's patents invalid under 35 U.S.C. § 102(b) because of its determination that the prior art AMERICAN EAGLE winch literally or identically included each and every element of those claims. In connection with this, the District Court stated that the AMERICAN EAGLE winch would have infringed Lewmar's patents. The factual bases for this

determination were set forth by the District Court in three claim charts. (App. B., pp. A30-35.)

The Court of Appeals carefully analyzed the District Court's claim charts and factual findings in support of its determination of anticipation, and unanimously concluded on the basis of established precedent that (1) the District Court had erred as a matter of law in its interpretation of the language and scope of the patent claims, and (2) when the claims were properly construed, the prior art AMERICAN EAGLE winch did not include important elements of each of the claims.⁴

In so doing, and contrary to Barient's and Barlow's assertion otherwise (Pet. p. 4), the Court of Appeals set aside as erroneous the basic determination of the District Court—that the prior art AMERICAN EAGLE winch literally included each element of each patent claim—on which its determination of anticipation was founded. The Court of Appeals did so based upon facts found by the District Court concerning the structure and operation of the AMERICAN EAGLE winch (App. A., pp. A7-13). Barient's and Barlow's assertion that the Court of Appeals made "its own findings" of fact (Pet. p. 4) is simply not correct.

Reduced to its essentials, Barient's and Barlow's Petition asks this Court to exercise its Certiorari jurisdiction to consider whether or not the record in this particular case

⁴ In interpreting the language of the claims in suit, the District Court ignored the patent specification and prosecution history of the patents. This was error as a matter of law. E.g., *Graham v. John Deere Co.*, 383 U.S. 1, 33 (1966). Also see *ACS Hosp. Systems Inc. v. Montefiore Hosp.*, 732 F.2d 1572, 1577 (Fed. Cir. 1984).

supports the District Court's determination as to the scope of the patent claims in suit, and whether or not as a matter of fact each and every element of the claims in suit is identically found in the AMERICAN EAGLE winch. Thus, petitioners state (Pet. p. 6):

"The District Court found that the American Eagle Winch infringed the patent claims. This finding was fully supported by claim charts prepared by the District Court."

But in truth, the District Court's determination of invalidity was not supported because its claim charts were premised upon a mis-construction of the patent claims. Barient and Barlow do not contend in their Petition that the Court of Appeals was wrong in its decision that the District Court had erred as a matter of law in its interpretation of the patent claims. Nor do they dispute the Court of Appeals' determination that the AMERICAN EAGLE winch does not identically include each element of the claims when those claims are properly construed. They apparently concede these matters. These concessions are fatal, because it is on these bases that the Court of Appeals reversed.

The Petition is insufficient. There are no significant legal questions, and no "special and important reasons" (Supreme Court Rule 17.1), to justify the issuance of a Writ of Certiorari.

B. The Court Of Appeals Did Not Modify The Legal Test For Patent Invalidity Under 35 U.S.C. § 102

Barient and Barlow contend that the Court of Appeals "modified" the legal test for patent invalidity by anticipation and that, as modified, the test is in conflict with deci-

sions of this Court from the nineteenth century and “un-constitutional”. This is plainly wrong. The Court of Appeals articulated the test of anticipation, or “novelty”, consistent with and precisely as Congress intended in the Patent Act of 1952.

Under the present statutory framework, there are two tests for patent invalidity based on prior art. First, a patent claim is invalid for “anticipation” if it lacks “novelty” under 35 U.S.C. § 102. Under this test, as the Court of Appeals correctly stated, a patent claim is invalid if each and every element of the claim is found identically or literally within a single prior art device or reference (App. A, pp. 4-6). Second, a patent claim is invalid for obviousness under 35 U.S.C. § 103 if, although an element of a claimed combination is missing from a prior art reference, the combination as claimed nevertheless would have been obvious at the time of the invention to a person of ordinary skill in the art. *Graham v. John Deere Co.*, 383 U.S. 1 (1966).

There can be no serious question that anticipation under 35 U.S.C. § 102 requires complete identity between the elements of a patent claim and a single prior art reference. On this score, 35 U.S.C. § 103 states in pertinent part about the requirements of § 102:

“A patent may not be obtained though the invention is not *identically* disclosed or described as set forth in section 102 of this title, . . .” (Emphasis added.)

The legislative history concerning the Patent Act of 1952, S. Rep. No. 1979, 82nd Cong., 2d Sess., *reprinted in* 1952 U.S. Code Cong. & Ad. News 2394, 2399 reflects this:

“Section 103, for the first time in our statute, provides a condition which exists in the law and has existed for more than 100 years, but only by reason of decisions of the courts. An invention which has been made, *and which is new in the sense that the same thing has not been made before*, may still not be patentable if the difference between the new thing and what was known before is not considered sufficiently great to warrant a patent.” (Emphasis added.)

Barient and Barlow, however, urge (Pet. p. 6, n. 5) that there is a third test of patent invalidity based on prior art. They assert that a claim is invalid under the third test if, although not identical to (§ 102) or obvious from (§ 103) a prior art reference, it is “equivalent” to it. They urge that absent this third test, a valid patent might issue which would be infringed under the doctrine of equivalents by a prior art device (Pet., p. 5). The Petition urges that such a result would be unconstitutional. All of this is unsupported and wrong.

First, this issue was not before the District Court or the Court of Appeals. Barient and Barlow never urged below that the AMERICAN EAGLE winch was “equivalent” to the claimed inventions, and the District Court never found this.⁵ Thus, what petitioners really seek here is an advisory opinion as to the scope of the patent statutes. For this reason also, the Petition should be denied.

⁵ This is not a case in which a patent owner has stretched the scope of the claims of a patent too far to cover an infringing device, with the result of also covering the prior art and invalidating the patent. The District Court found that Barient's and Barlow's winches literally infringed Lewmar's patents. There was no reliance on the doctrine of equivalents with respect to that infringement.

Second, no constitutional issue is raised by anything the Court of Appeals did or did not do. Nothing in Article I, Section 8 of the United States Constitution or in any other Article or Section, is affected by this case.

Third, Barient's and Barlow's position that invalid patents would be allowed to issue under the test for anticipation explained by the Court of Appeals ignores the test for obviousness under 35 U.S.C. § 103. If a prior art device does not anticipate under § 102 because of some difference between it and the elements of the claimed invention, the inclusion in that prior art of "equivalent" elements might be evidence of obviousness (depending upon the facts, and upon the application and outcome of the analysis mandated by this Court in *Graham v. John Deere Co.*, 383 U.S. 1 (1966)). The patent claim thus might be invalid—but for obviousness under 35 U.S.C. § 103, not for anticipation under 35 U.S.C. § 102(b).

In sum, the Court of Appeals' interpretation of 35 U.S.C. § 102 is clearly consistent with the present statutory language and framework, and was in accordance with established precedent. There is no conflict between the circuits and no constitutional issue.

CONCLUSION

In view of the foregoing, it is respectfully submitted that a Writ of Certiorari should not be granted.

Dated: November 30, 1987

Respectfully submitted,

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SUPPLEMENTAL APPENDIX

**UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT
ERRATA**

October 15, 1987

LEWMAR MARINE, INC. Appeal Nos. 86-1412/86-1619
v. BARIENT, INC. and Decided: Aug. 25, 1987
BARLOW MARINE, LTD. Published

Please make the following changes:

Page 12, line 5, delete footnote symbol 6 and text therefor.
Renumber subsequent footnotes .